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ZNR UUUUU ZZH
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FM AMEMBASSY VIENNA
TO RUEHC/SECSTATE WASHDC 4298
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS VIENNA 002158

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DEPARTMENT FOR EUR/AGS

E.O. 12958: N/A

TAGS: PGOV PREL PHUM AU

SUBJECT: COMPROMISE ON BILINGUAL TOWN SIGNS FALLS APART

REFS: A) Vienna 2097 B) Vienna 185

THIS MESSAGE IS SENSITIVE BUT UNCLASSIFIED.

11. (SBU) SUMMARY: Chancellor Schuessel's latest effort to broker a broad-based compromise on additional bilingual (German-Slovenian) town signs in the southern state of Carinthia has fallen short. The Chancellor had hoped to dispose of this long-standing irritant by passing an amendment to the Minorities Act in parliament July 14. The issue is now likely to figure in the campaign for national elections on October 1 (ref a). End summary.

SCHUESSEL'S LATEST EFFORT AT COMPROMISE FALLS SHORT

- 12. (SBU) The compromise Schuessel's OVP-BZO coalition submitted to parliament July 14 foresaw dozens of additional bilingual town signs in the province. This was Schuessel's latest and most serious effort to break years of political deadlock over Governor Joerg Haider's stubborn resistance to a 2001 constitutional court ruling ordering local authorities to put up more bilingual town signs in mixed-language areas of Carinthia (ref b).
- 13. (SBU) Schuessel had managed this time to get all players on board -- Haider, the internally divided representatives of the Slovene minority, Carinthia's veterans' organization, and the opposition Social Democrats (SPO) whose votes the government would need for the two-thirds majority to pass a constitutional amendment. The deal fell apart, however, over provisions regarding possible additional bilingual town signs after 12010. In the face of last-minute opposition by Slovene groups, the national SPO refused to back the compromise supported by its Carinthian chapter.

REACTIONS: PLEASE TRY AGAIN

- 14. (SBU) President Heinz Fischer urged parties to continue efforts to find a broad-based solution in conformity with the minority rights enshrined in Article 7 of Austria's 1955 State Treaty. One of the three Slovene organizations in Carinthia presented the case to EU Commissioner Franco Frattini, who promised his office would look into the matter.
- 15. (SBU) COMMENT: Schuessel will seek to put the blame squarely on the SPO and the minority representatives who ultimately rejected the deal. However, the failure of this latest compromise initiative will also play into the hands of Joerg Haider, who will continue to exploit the emotional issue of bilingual towns signs during the election campaign. There is now little prospect for a

political solution before the October 1 elections.

McCaw